say, that there has not been any attack on Americans in the 5 years since 9/11, those who are criticizing our efforts on the war against terror would be the first ones, if we had an attack this very day, of criticizing the President of the United States: Why wasn't he on top to prevent some sort of attack? And because America has not been attacked, there tends to be a short memory about the fact that we did lose 3,000 Americans. And we know it can happen again.

We know that terrorists came into O'Hare with the idea of a dirty bomb in America. We know there were people who were going to blow up bridges in New York City who were caught and the plans known. We individual Senators have been told by the CIA and by the FBI about many instances of where terrorist attacks against Americans have been stopped, and American lives have not been lost because of that. But they cannot talk about it because we do not want the terrorists to know what we know about them.

Too much attention on Iraq detracts from the fact that there are terrorists in 60 different countries around the world waiting to kill Americans. Evidence of that was American military people working with the Filipinos over the weekend to kill two terrorists connected with radical religious groups.

We finally were able to get at some of the people who should have been arrested in the previous administration, if a proper relations with Saudi Arabia had brought it about, who thought up the bombing of the embassies in east Africa when 12 Americans were killed and 200 other people were killed. We believe one of those persons was killed in a strike we were making in Somalia over the weekend. So we are involved in more than just Iraq in the war on terror.

People who forget what happened to America on 9/11, and if it happened again, some of the people who are criticizing what the President is doing would be there saying, as they were soon after September 11: Why wasn't the President on top of what happened on September 11 so it wouldn't happen again, when there were five instances of Americans being killed: 1993, 1995, 1997, 1999, before 2001, and this body passed the Iraqi Liberation Act unanimously in 1998 because President Clinton was saying what a threat Saddam Hussein was to the United States or to the world as well and that he had to go.

When you have that bipartisan support at a time when Americans are being attacked and killed—in 1993, 1995, 1997, and 1999, before 9/11 somewhere around the world—you have to stop to think, it isn't just Iraq. It isn't just Afghanistan. It isn't just 9/11. These religious radicals have been out to kill Americans going way back to 250 marines being killed in Lebanon in 1983. And there are individual instances of terrorism before that.

The war on terrorism isn't something new. What is going on in Iraq is not the war on terrorism. What is going on in Afghanistan is not the war on terrorism. The war on terrorism covers many nations, many threats to American people. The life of every one of us in this Chamber right now, if we were to go over to some parts of the world, would be threatened. We expect the President of the United States to protect us because he is Commander in Chief and because the responsibility of the Federal Government under the Constitution, No. 1, is the protection of the American people.

GOVERNMENT NEGOTIATION OF DRUG PRICES

Mr. GRASSLEY. Mr. President, I did not come to the floor to talk about Iraq. I am not on too many of the committees that deal with foreign relations and military issues. I am on the Finance Committee, serving as a team player with the capable chairman of that committee, Senator BAUCUS, to deal with health issues, tax issues, and trade issues.

One of the health issues I have been speaking on for the last several days is the issue of Medicare and prescription drugs. For 3 days you have heard this Senator say why Democratic efforts to ruin the Medicare prescription drug program by doing away with the noninterference clause is bad for senior citizens. I will take this fourth day of speaking to quote from other experts because I don't presume that any of the other 99 Senators care what I say. I have said it anyway. But I want to back up what I have said over the last 3 days by quoting from other people whom other Senators may be listening to in the period of time between now and a couple of weeks from now when this issue of prescription drugs is going to come up.

On Monday I spoke about how the benefit uses prescription drug plans and competition to keep costs down and how well that is working. I backed that up statistically. I said it then, and I say it again: If it ain't broke, don't fix it.

I presented findings from the chief actuary at the Center for Medicare Services. And for the benefit of a new Senator chairing, this chief actuary is the one people on his side of the aisle were quoting so extensively, that there was a much higher figure coming out of the administration than what the CBO had, and there was an effort to keep that hidden—what the chief actuary said it would cost—from the Congress so that we would pass a bill that was more expensive than we said it was. And if he could be quoted then, I want people to listen to him now.

I also quoted experts from the Congressional Budget Office, explicitly rejecting opponents' claims that giving the Secretary of Health and Human Services the authority to negotiate with drug companies would produce savings.

Today I will let the words of others from across the political spectrum and from the news media do the talking. I will begin with Secretary Michael Leavitt, head of the Department of Health and Human Services, who said:

> Government negotiation of prices does not work unless you have a program completely run by the government. Federal price negotiations would unravel the whole structure of the Medicare drug benefit, which relies on competing private plans.

Just today, the Secretary wrote an op-ed in the Washington Post that if the Government was required to negotiate—I am quoting the Secretary—''one government official would set more than 4,400 prices for different drugs, making decisions that would be better made by millions of individual consumers.''

The Secretary went on to say:

> There are many ways the administration and Congress can work together to make health care more affordable and accessible. But undermining the Medicare prescription drug benefit, which has improved the lives and health of millions of seniors and people with disabilities, is not one of them.

The next person I would like to quote is Dan Mendelson, a former Clinton administration official, who now is president of a health care consulting firm that tracks Medicare prescription drug programs. Mr. Mendelson, a former Clinton administration official, said:

> From a rhetorical perspective, Democrats may feel like they gain a lot with this issue, but there are many substantive hurdles that the government faces in trying to negotiate prices. If you look historically at the government's experience in trying to regulate prices, it's poor.

That was an official from the Clinton administration. As supporting evidence, a Chicago Tribune editorial said the following:

> Richard S. Foster, the chief actuary for the Centers for Medicare and Medicaid Services, studied whether direct government negotiation would yield bigger discounts. His answer: Not likely.

One reason, he said, was Medicare's unreassuring record on price negotiations, even before this new benefit was passed.

I made the point the other day that over the last 40 years, we have seen CMS, HHS, price health care, wasting a lot of taxpayers' dollars, because the Government has overpriced things, overreimbursed things. Mobile wheelchairs is just the most recent example I have used in some of my hearings in my committee while I was chairing it.

Medicare has a history, following on what I said, of paying for some drugs ''at rates that, in many instances, were substantially greater than the prevailing price levels. Translation: The feds got fleeced.''

That is the chief actuary that people on the other side of the aisle were quoting so liberally 3 years ago. I hope they will take his analysis of what is going on now in Medicare, working well for seniors, into consideration before they screw everything up with an amendment to do away with the noninterference clause.

Now I want to show you a chart. I guess this will be the first chart. I

want to start with the Washington Post in November, when they printed a quote from Marilyn Moon, director of the health program at the American Institutes for Research. She is a former trustee of the Social Security and Medicare trust funds, a former senior analyst of the Congressional Budget Office, and the new Senator presiding will find out that the Congressional Budget Office is God here. If they say something is going to cost something, it costs something. If we think it costs less, we go by what they say. If you want to overrule them, it takes a 60-vote supermajority. Marilyn Moon is currently president of the board of the Medicare Rights Center.

She says:

This is going to be much more of a morass than people think. Negotiating drug prices is a feel good kind of answer, but it's not one that is easy to imagine how you put it into practice.

Dr. Alan Enthoven, professor at Stanford University, now emeritus—we often read his writings because he is such an expert in health care financing—wrote in the Wall Street Journal an opinion piece:

When the government negotiates its hands are tied because there are few drugs it can exclude without facing political backlash from doctors and the Medicare population, a very influential group.

Quoting further from Dr. Enthoven:

Congressional Democrats need to be careful in making the logical leap from market share to bargaining power. Empowering the government to negotiate with pharmaceutical companies is not necessarily equivalent to achieving lower drug prices. In fact, neither economic theory nor historical experience suggests that will be the outcome.

An editorial in the Dallas Morning News echoed my statement from Monday that beneficiaries do not want the Government in their medicine cabinet. A quote from the Dallas editorial:

Giving the feds the power to negotiate drug prices for seniors would effectively cede control of the pharmaceutical industry to Washington. When congressional Democrats press for this change, remember they're pushing for much more than lower prices. They're seeking to move the line where government should stop and the marketplace should start.

But let's talk about who really matters in this case. Who really matters are the beneficiaries, the senior citizens, the disabled people on Social Security, and, of course, the taxpayers ought to be given equal or more consideration. Once again, to emphasize, if it ain't broke, don't fix it.

In 2006, premiums were 38 percent lower than originally anticipated. By ''originally anticipated,'' I mean the work that was done by CMS and the Congressional Budget Office to give us information when we wrote this bill in 2003. We also find out that the net cost to the Federal Government is lower than expected. The 10-year cost of Part D has dropped $189 billion, representing a 30-percent drop in the actual cost compared to the original projections.

I ask: How many times do Government programs come in under cost? Every day we are reading about cost overruns of Government programs, and here is one that is coming in 30 percent under cost, and somebody wants to screw it up by offering amendments to change what has worked, the one lever that has brought about 35-percent lower prices for the 25 drugs most used by senior citizens, and that is on top of the 38-percent lower price for premiums to which I have already referred.

A poll of the Medicare beneficiaries by J. D. Power & Associates, which takes consumer temperatures of all sorts of products, found that 45 percent of the beneficiaries surveyed were ''delighted'' with the Medicare drug benefit. They gave their own drug plan a 10 on a 10-point scale, and another 35 percent of those surveyed gave their prescription drug plan an 8 or 9 rating on a 10-point scale. And other polls are consistent. So that is 80 percent satisfied.

All of the program's successes have been challenged at various times by this program's opponents, and each time these challenges have been proven wrong.

As the plan continues to return positive results, skeptics are beginning to change their opinion as well. I want to quote Dr. Reischauer, who is former Director of the Congressional Budget Office, and has great respect on the Democratic and Republican sides. He is a nationally known expert on Medicare. Currently, he is president of the Urban Institute and serves as vice chair of the Medicare Payment Advisory Commission.

This is a very candid statement by somebody who had their doubts about this program when it was put in place. He says:

Initially, people were worried no private plans would participate.

In other words, we were patterning it, as I said, after the Federal Employees Health Benefits Program of 50 years. We wanted to transplant that for the benefit of senior citizens in Medicare. We didn't know if our program would work, even though it worked for Federal employees. As he said, there were doubts.

Continuing to quote:

Then too many plans came forward.

Parenthetically, a heck of a lot more plans than we anticipated. We even thought at one time there were going to be so few plans, and because we wanted people to have some choice, that we were going to have to have the Federal Government subsidize an extra plan just for people to have choice. But then the complaint was too many plans.

He goes on to another point:

Then people said it's going to cost a fortune. And the price came in lower than anybody thought. Then people like me—

Meaning Dr. Reischauer—

said they're low-balling the prices the first year and they'll jack up the rates down the line.

That is what he thought.

And, lo and behold, the prices fell again. At some point you have to ask: What are we looking for here?

Let me tell you what the press is saying.

First, a Washington Post editorial represented an insightful view, saying:

A switch to government purchasing of Medicare drugs would choke off this experiment before it had a chance to play out, and it would usher in its own problems. For the moment, the Democrats would do better to invest their health care energy elsewhere.

A USA Today editorial took it a step further, saying:

A deeper look, however, suggests that the Democrats' proposal was more of a campaign pander than a fully baked plan . . . governing is different than campaigning. The public would be best served if the new Congress conducts indepth oversight to gather the facts, rather than rushing through legislation within 100 hours to fix something that isn't necessarily broken.

In other words, this Senator says, for a third time, if it ain't broke, don't fix it.

Finally, put simply by the National Review, Government negotiation ''is a solution in search of a problem and could unnecessarily disrupt a benefit that is working well for seniors.''

I am sure the Presiding Officer doesn't want to disappoint people in Montana.

What compounds the problem is the fact that neither I nor anyone else has heard Democrats explain how Government negotiation would work. I spoke a great deal about this yesterday. I am not going to go into the details of it, but I want my colleagues to hear what the New York Times says. How many times do I quote the New York Times? But when it is very useful, I like to do it.

They raise these questions about the Democrats' proposal, H.R. 4, as seen by ''many economists and health policy experts . . . as a paradox.''

On the one hand, Democrats want the Government to negotiate lower drug prices for Medicare beneficiaries, but, on the other hand, they insist that the Government should not decide which drugs are covered. I made clear yesterday, if you don't have a formulary, as the House bill does not have, you have no lever for the Government to negotiate. That is why the Veterans' Administration put in a formulary.

People say they want to do it like the Veterans' Administration does. Then why does the first bill in the House of Representatives take out the only tool by which the Veterans' Administration leverages lower prices?

Continuing the paradox issue brought up, and I am quoting from the New York Times:

The bill says the Secretary ''shall negotiate'' lower prices. On the other hand, the drug benefit would still be delivered by private insurers. Each plan would establish its own list of covered drugs, known as a formulary, and the Secretary could not ''establish or require a particular formulary.''

In the same New York Times article, James R. Lang, former president of Anthem Prescription Management—a

drug benefit manager is what he is—said this:

For this proposal to work, the Government would have to take over price negotiations. It would have to take over formularies. You can't do one without the other.

But the House bill just introduced says you can. That is a parenthetical on my part.

Continuing to quote:

Drug manufacturers won't give up something for nothing. They will want a preferred position on the Medicare formulary—some way to increase the market share of their products.

The only comparison I know of is, of course, the Veterans' Administration. I have already referred to that point. So when people come up to me and ask why the Government negotiates for veterans and not for seniors, I tell them what the Medicare system, modeled after the VA, would look like.

Yesterday I spent some time explaining what Government negotiations looked like for the VA and other Federal programs. Again, instead of listening to my words, I want my colleagues to hear what other people have said.

As explained in the Washington Post:

The veterans program keeps prices down partly by maintaining a sparse network of pharmacies and delivering three-quarters of its prescription by mail . . . Moreover, the program for veterans is in a position to negotiate hard with drugmakers because it can credibly threaten not to buy from them. Its plan excludes new medicines.

Why would any person on the other side of the aisle, or even a Republican who might want to consider doing this, want to deny any drug to a senior citizen? But the VA program excludes 70 percent of the drugs that senior citizens can get under Part D. And why would anybody backing these plans want to follow the Veterans' Administration and deliver three-quarters of the prescription drugs by mail? Do they want to ruin their community pharmacist? I don't think anybody does.

The Los Angeles Times continues the discussion, stating:

Applying the VA approach to Medicare may prove difficult. For one thing, Medicare is much larger and more diverse. VA officials can negotiate major price discounts because they restrict the number of drugs on their coverage list. Instead of seven or eight drugs for a given medical problem, the VA list may contain three or four. If a drug company fails to offer a hefty discount, its product may not make the cut.

Mr. President, the final thoughts I will leave with you today come from a letter sent by the nonpartisan Congressional Budget Office. I want to make clear to the new Senators that the Congressional Budget Office is ''god'' around here because when ''god'' speaks up and says something costs something and you disagree with them, your disagreement doesn't mean anything unless you have 60 votes to override them, a supermajority.

The Congressional Budget Office, after reviewing the Democratic bill in the House of Representatives at the request of Chairman DINGELL, the chairman of the Committee on Energy and Commerce, concluded the following, and here I am quoting again and I have a chart on this quote:

H.R. 4—

That is the Democratic bill in the House—

would have negligible effect on federal spending because we anticipate that the Secretary would be unable to negotiate prices across the broad range of covered Part D drugs that are more favorable than those obtained by PDPs under current law.

The letter continues to say:

. . . [W]ithout the authority to establish a formulary, we believe that the Secretary would not be able to encourage the use of particular drugs by Part D beneficiaries, and as a result would lack the leverage to obtain significant discounts in his negotiations with drug manufacturers.

In conclusion, the CBO's letter to Mr. DINGELL says:

. . . [T]he PDPs have both the incentives and the tools to negotiate drug prices that the government, under the legislation, would not have.

I think that pretty much sums it up. I can think of nothing more to say than what the CBO says in regard to the Democratic bill in the House of Representatives. But maybe to quantify all this, I have already said that the 25 drugs used by seniors most often—the way we price drugs now through plans negotiating for their members to drive down the price of drugs—the average price of those 25 drugs is down 35 percent. If it ain't broke, don't fix it.

As I said earlier this week, I hope we can put politics aside and focus on some of the real improvements we could be making in the drug benefit. I wrote it. There are items that need to be changed, and I mentioned some of those items on Monday. This is what we should be focusing on instead of trying to fix something that ain't broke. I still hope that reason will prevail around here.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. CORNYN. Mr. President, I ask unanimous consent that each side's period of morning business be extended by an additional 15 minutes.

Ms. MIKULSKI. Mr. President, reserving the right to object, in the spirit of comity and accommodation, to clarify with the Senator, how much time does the Senator from Texas and the Republican minority have?

The ACTING PRESIDENT pro tempore. Twelve minutes remain.

Ms. MIKULSKI. Is the Senator saying another 15 minutes after that 12 minutes?

Mr. CORNYN. Mr. President, responding to the distinguished Senator from Maryland, I need 10 minutes, and my colleague from Colorado is asking for some time to speak as in morning business as well. If we can try to work that out——

Ms. MIKULSKI. Mr. President, may I offer an accommodating suggestion, that after the Senator from Texas speaks, I be allowed to speak—I need about 10 minutes—and then the Senator from Colorado can speak. But if you have your 12 and another 15, it really will cause havoc over here.

Mr. ALLARD. Mr. President, can we work out maybe an agreement for 10 minutes for Senator CORNYN, the Senator from Maryland uses her 10, and then I would like to have 15 minutes. I ask unanimous consent for that.

Ms. MIKULSKI. I have no objection to that.

Mr. CORNYN. I have no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CORNYN. I thank the Senators.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

THREAT OF ISLAMIC RADICALISM

Mr. CORNYN. Mr. President, I come to the Chamber to speak on the preeminent issue facing our country today, and that is the threat of Islamic radicalism, and specifically to respond to the comments of some of our colleagues on the other side of the aisle regarding the President's speech and the plans he has announced for our fighting forces in Iraq last night.

As I have tried to sift through the differences of opinion—and here again, among people of good will who love their country and who are true patriots—I am forced to conclude that the division or faultline falls between those who have simply given up and do not believe the situation in Iraq is salvageable and those who believe the President's plan offers the last best hope for success in Iraq.

I agree with those who say you cannot look at Iraq as if through a soda straw, as if that is the only challenge facing the United States and the Middle East, because, indeed, failure in Iraq, descension into a civil war, creation of a failed state will undoubtedly create a regional-wide conflict that will necessitate the United States and its allies reentering the conflict at some later date were Iraq unable to sustain and defend and govern itself, as the Iraq Study Group said it must.

Indeed, I believe it is incumbent upon those who say the only solution is to draw down our troops in a gradual redeployment to explain what they intend to do when Iraq descends into a failed state, creating another platform, as Afghanistan did once the Soviet Union left that country, which gave rise then to the Taliban and al-Qaida. What is their plan to deal with that consequence if, in fact, that is what occurs, if the United States leaves Iraq before it is able to sustain itself, to govern itself, and defend itself?

I congratulate the members of the new majority, but I must say, with the new majority comes not only the privilege of setting the Nation's agenda in